The amendments to ERISA in this Subtitle take effect January 1, 1998.

Subtitle E—Funding and plan termination requirements for self-insured group health plans

Sec. 1401.—Special rules Self-Insured Group Health Plans.

This section adds a new section 610 to ERISA Part 6 providing for plan termination and funding requirements for certain plans. Under subsection 610(b) the single-employer self-insured group health plans maintained by small employers are required to establish reserves in an amount equal to 25% of expected annual incurred claims and expenses or the estimated amount of incurred, but unpaid, claims, if greater. Alternative means of meeting such requirements would take into account factors such as the size of the plan, the benefit design, the presence of stop-loss coverage, and either security, guarantee, or financial arrangements. The self-insured plans maintained by large plan sponsors who meet certain distress criteria would also have to file notice and a financial plan demonstrating the basis for the continued timely payment of benefits. A safe-harbor for large plans meeting the above described reserve requirements for small plans would be provided, thus obviating the need to file such a notice in the event of the distress of the plan sponsor. Multiemployer plans would have to maintain contributions and assets at a level so as to avoid becoming financially overburdened.

New ERISA section 611 spells out the requirements for notice and procedures related to the voluntary termination of self-insured plans and to the mandatory termination by the Secretary of Labor of such plans in the event of their failure to meet reserve or other requirements.

Sec. 1402.—Effective Date.

Section 610 applies to plan years beginning on or after January 1, 1998.

WITH NEW NAACP LEADER WE CAN HAVE HOPE

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 22, 1995

Mrs. COLLINS of Illinois. Mr. Speaker, the selection this past weekend by the National Association for the Advancement of Colored People [NAACP] of Myrlie Evers-Williams as its new chairwoman, comes at a crucial time for new and aggressive leadership of our Nation's oldest civil rights organization.

I congratulate Mrs. Evers-Williams, and I salute the NAACP for its courage in making tough choices. Tough choices are never easy to make, and I doubt if this will be a choice made in vain.

Mrs. Evers-Williams now has before her the immediate task of protesting G.O.P. roll-backs of civil rights gains spearheaded by her organization over the past three decades. These are civil rights policies—labeled affirmative action programs—that have been set in place in

males.

On the west coast—in California—voters who last year denied services to illegal immigrants, were gearing up to decide whether to end State programs that broaden opportunities for those most in need—women and racial/ethnic minorities.

How symbolic that such battles are taking place during Black History Month. How frightening that these battles must take place again—or even at all.

I stand with our freedom fighters willing to continue the struggle for civil rights for all Americans. Indeed, anyone who has benefited from these rights is obligated to rise today to ward off this vicious, mean-spirited attack against our hard fought gains.

Mr. Speaker, listen to the message being delivered to America today. The people want opportunity. The people want freedom of choice. Don't allow roll backs of the struggles for civil rights. Let this great Nation of ours continue becoming even greater. In other words, leave our civil rights gains alone.

FCC TAX CERTIFICATE PROGRAM

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 22, 1995

Mr. RICHARDSON. Mr. Speaker, yesterday the House unwisely voted to eliminate the Federal Communications Commission's tax certificate program to encourage minority ownership of telecommunications entities. This program has successfully allowed minorities to add their voice to society through our Nation's vast array of communications media. All Americans must have access to the means of communication and FCC's tax certificate program ensures diversity of content. My friends at the Minority Media and Telecommunications Council have put together a list of 14 points on the importance of this program. I urge my colleagues on the House and Senate side to consider the following points.

WHY THE FCC'S TAX CERTIFICATE POLICY SHOULD BE RETAINED

1. The policy benefits taxpayers. By involving otherwise excluded minorities in media ownership, more broadcast and cable properties reach their highest valued use, thereby creating jobs and generating investment and tax revenues. The policy's reinvestment feature retains capital in the media industries, where it helps build the communications infrastructure. Furthermore, the policy helps minority business succeed and ultimately become taxpayers.

2. The FCC was justified in adopting the policy in 1978. It had before it an extensive staff report documenting the need for minorities to participate in the broadcasting industry as owners, and the need for marketplace intervention to help achieve that objective. The Reagan FCC supplemented that record in 1982. Even when the Commission

4. The policy is consistent with the original intent of Section 1071, and with the Commission's interpretation of Section 1071. Congress gave the Commission wide discretion in the implementation of Section 1071. In applying Section 1071 to other diversity-promoting contexts, the Commission exercised its discretion with Congressional endorsement. The Commission followed the same procedures in using tax certificates to promote minority ownership.

5. The policy has delivered important benefits to the public. Extensive research cited in *Metro Broadcasting, Inc. v. FCC,* 497 U.S. 547, 579–84 (1990) demonstrates that the minority ownership promotes diversity in service to the public. Minority owners are industry leaders in hiring and training minorities, and in providing information which is unavailable from other outlets. The policy has delivered value far beyond the public's investment.

6. The policy evolved as a highly desirable substitute for intrusive content-based regulation. Any weakening of the policy will severely undermine—and could prompt reexamination—of the FCC's reliance on its minority ownership policies as a substitute for content-based regulation in promoting First Amendment values.

7. The policy is fair. It has never been seriously accused of disadvantaging whites, since it is neither a quota nor a set aside.

8. The policy is very cost effective. It goes to the heart of the problem—access to capital. Moreover, it is very inexpensive to administer.

9. The policy is especially valuable to the cable industry. Cable operators possess unique power to select the range of programming available to viewers and to stimulate diversity in the national programming marketplace. Thus, diversity in cable ownership is especially critical to cable viewers.

10. Weakening the policy would make it commercially irrelevant. The policy's incentive to sell properties to minorities is only moderate, having been primarily responsible for increasing minority broadcast ownership from almost zero to 2.7% in 15 years. That is very significant but hardly indicative of a massive rush by sellers to trade with minority buyers.

11. The policy should be applied to transactions regardless of size. The policy was designed to help minorities enter the mainstream of American commerce. While tax certificates have been primarily used for small transactions, one might occasionally be used for a larger transaction, given the growth in the communications industry. Because other companies had such a long headstart in spectrum access and media ownership, no minority broadcaster or cable system owner has yet attained sufficient size and influence to justify ''graduation'' out of the program.

12. Third parties have a fair chance to challenge applicant bonafides. In questions from the bench in *Adarand Constructors v. Peña,* No. 93–1841 (argued January 17, 1995), Justice O'Connor expressed concern that third parties should have a meaningful opportunity to challenge specific transactions. The FCC's well established petition to deny process affords challengers that right. Indeed, abuses